Navy-Industry International Dialogue

08 November 01

NAVSUP

NAVAL SUPPLY SYSTEMS COMMAND

Naval Inventory Control Point Deputy Commander for International Programs

NAVSUP 07 / NAVICP OF Partnering With Industry

by

Rich Bennis

08 November 2001

Ready. Resourceful.

Security Assistance
U.S. Navy Organization

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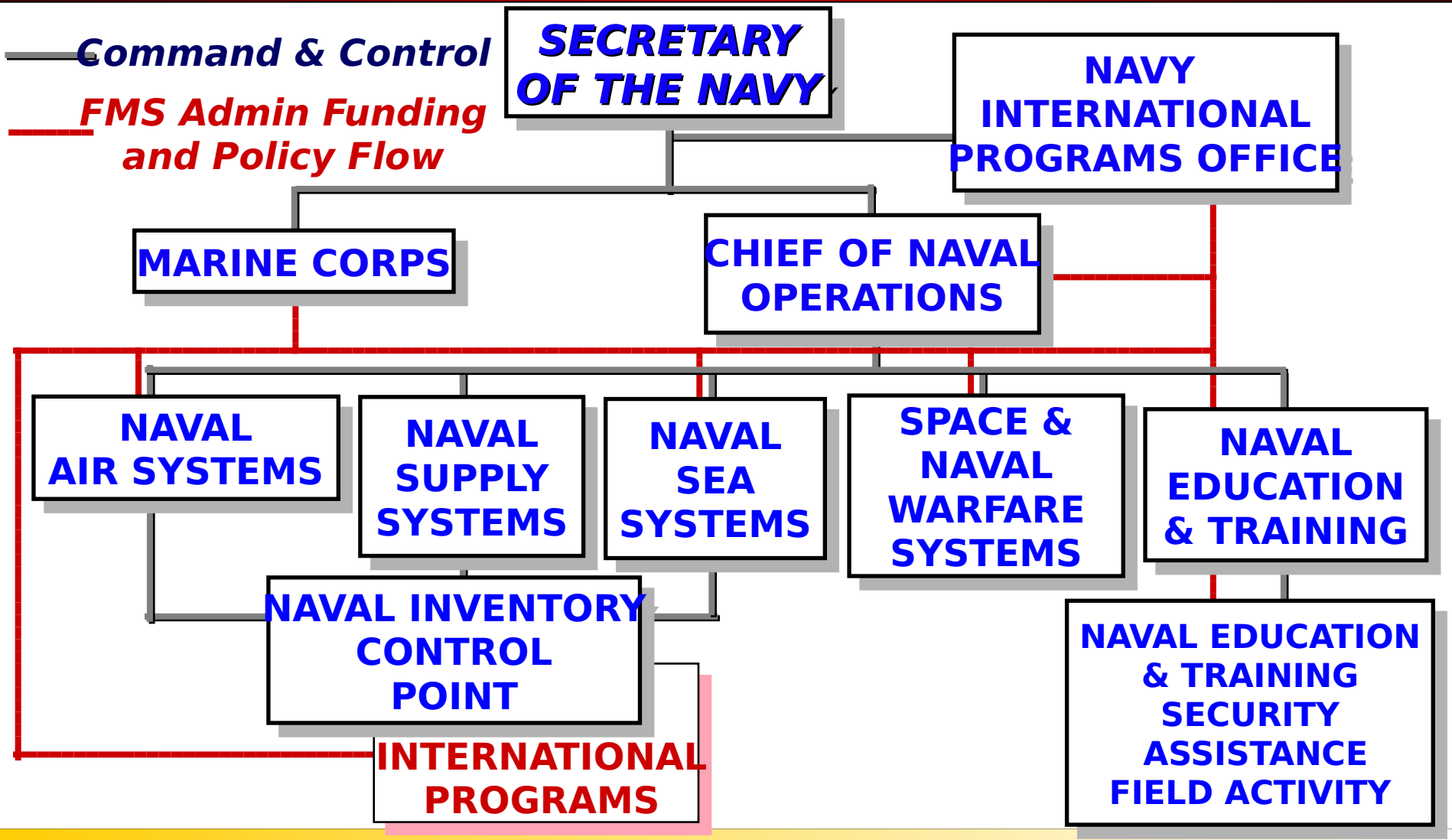
Naval Inventory Control Point



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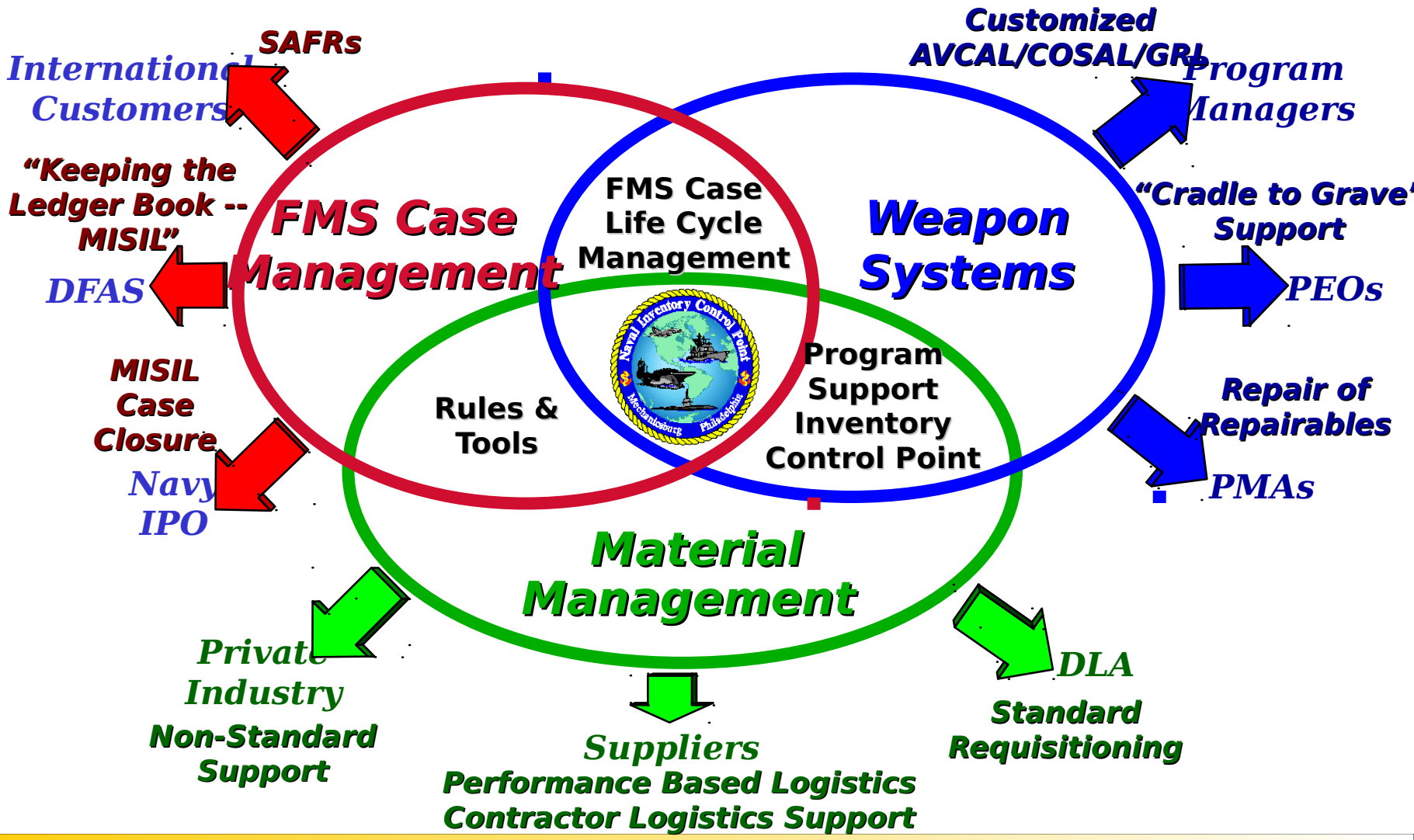
NAVICP Code OF
Mission Elements & Operational Interfaces



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Security Assistance Foreign Representatives

- Single Largest Concentration of Foreign Representatives in DoD

- Primary Customer Point of Entry

- Sponsor Senior & Junior Foreign Officer Training

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FMS Weapon Systems Sales (FY01)

Aviation Systems

Type	$ Value
E-2C	$10.8M
Common Spares	$9.5M
Engines	$6.2M
F/A-18	$5.6M
H-2/H-60	$4.6M
P-3	$3.8M
H-1/H-46	$3.4M
AV-8	$2.5M
upport Equipment Spares	$2.0M
H-3/H-53	$0.9M

Surface Systems

Type	$ Value
CIWS	$5.5M
Misc. Fire Control	$4.0M
Auxiliary & Valves	$3.5M
Gas Turbine	$3.3M
Radars	$2.5M
Other Propulsion	$2.5M
Sonars	$1.4M
SQQ-32	$1.4M
Air Traffic Control	$1.2M
Excomm	$1.2M

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Top International Customers (FY01)

Numbers of Transactions

in	23,532
wan	17,051
ea	11,890
tralia	11,824
ael	10,591
pt	10,366
nada	10,014
ece	8,159
rkey	7,022
an	4,342
Others	37,764
Total	**152,555**

$ Value of Transactions
$ in Terms of Millions

wan	$205.4
pt	$159.3
ance	$102.8
tralia	$75.5
pan	$72.3
ain	$67.5
ed Kingdom	$60.5
land	$59.9
rea	$44.8
di Arabia	$38.4
Others	$318.4
Total	**$1,204.8**

Business Profile
All Navy (as of 31 OCT 2001)

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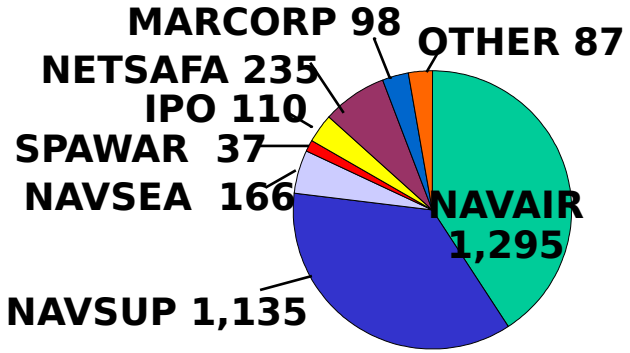
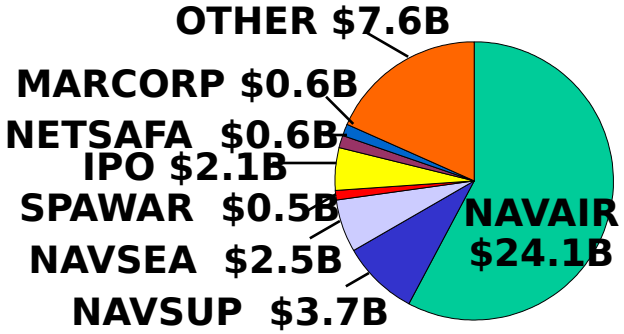
OF OPEN CASES
MISIL ONLY



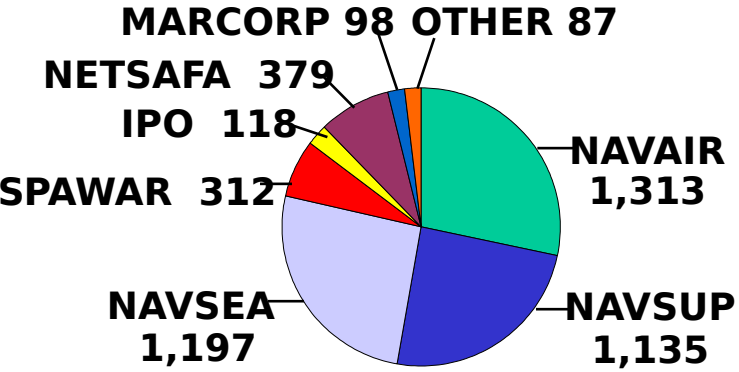
TOTAL = 3,163

$ VALUE OF CASES
MISIL ONLY



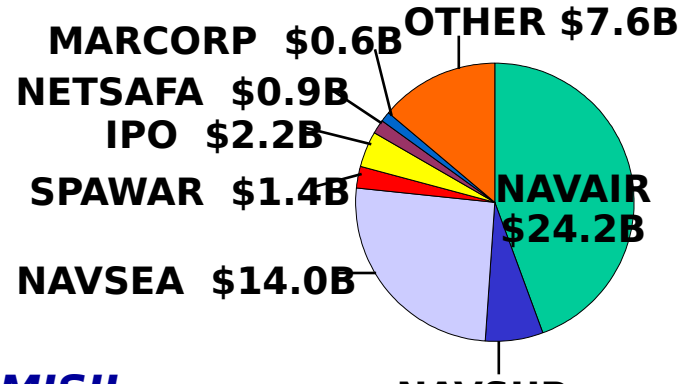
TOTAL = $41.7B

NAVY TOTAL*



TOTAL = 4,639 CASES

NAVY TOTAL*



TOTAL = $54.6B

** Includes MISIL, STARS, & NETSAFA Cases*

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NAVSUP 07/NAVICP OF Business Plan Structure

Touchstones:

- Increase Capacity
- Reduce Net Costs
- Integrate/PSICP
- Measure

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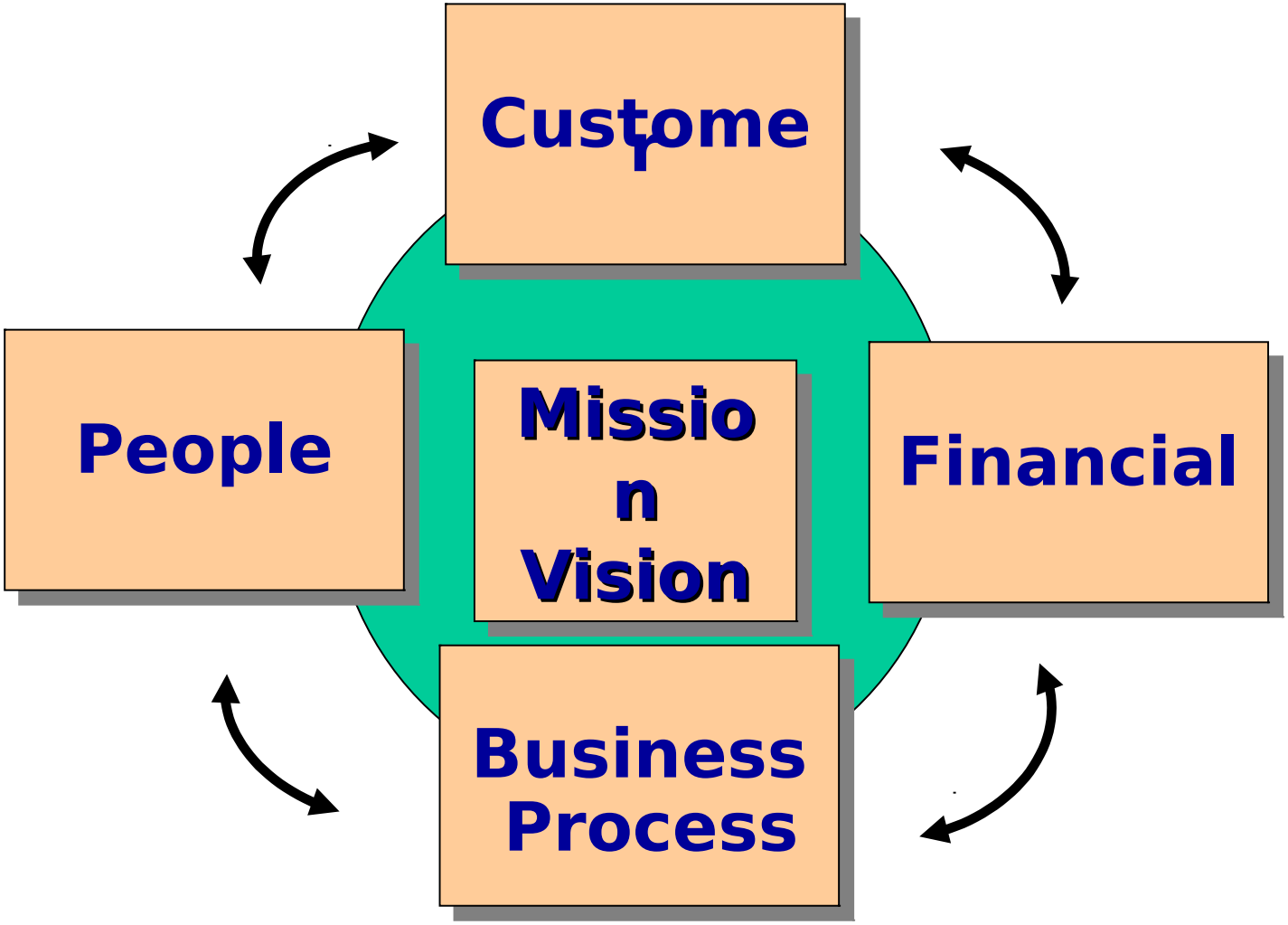
Security Assistance Goals

Navy IPO Balanced Scorecard



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Security Assistance Goals Customer

- ***Support the warfighting CinC Theater Engagement Plans through FMS and related processes.***
- ***Help achieve coalition and interoperability defense capabilities while contributing to USN and USMC acquisition.***
- ***Deliver specified articles and services to our customers on time and within cost.***
- ***Continue to streamline FMS. Improve our responsiveness to the foreign customer. Increase their visibility and participation in the process.***

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Security Assistance Goals: Financial

- *Improve quality of Case Management, including reconciliation and closure.*
- *Manage the international customer's money well.*
- *Identify and advocate international sales opportunities to lower DoN total ownership costs (TOC).*
- *Contribute to DSCA efforts to match FMS Admin budgets to Security Assistance Priorities.*

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Security Assistance Goals: Business Process

- *Identify and advocate opportunities to support U.S. acquisition.*
- *Reduce processing time of all steps in the FMS process, following the concept of "core functions".*
- *Employ International Integrated Product Teams (Team International), linking DoN, U.S. industry and the international customer country to match the needs of the international customer to U.S. programs.*
- *Maintain a dialogue with U.S. industry to facilitate defense cooperation.*
- *Ensure widest dissemination of Security Assistance policy documentation throughout the Navy and Marine Corps community.*

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Our Objectives

Touchstones serve as overarching guidance

- Increase Capacity…Thru-put
- Reduce Net Cost…Efficiency
- Integration/PSICP…Reduce constraints
- Measure…Output…Outcome

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Performance Based Logistics:
Streamlining Processes and Delivering Combat Capability

Objective ***-- Eliminate the artificial barriers between domestic and international suppor to the mutual benefit in policy and FMS cor business for Performance Based Logistics t support FMS operational strategies/require***

Issues:

- ***Business Case Analyses***
- ***Creative Contracting***
- ***Regulatory Reform***
- ***Customer Perceptions***

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Performance Based Logistics:
FY-01 Aviation PBLs

IWST	PBL	EAD
F-18E/F	FIRST	Oct-00
F/A-18C/D	SMUG	Apr-01
F/A-18C/D	HUD/DDI	Apr-01
F/A-18C/D	ATARS	Sep-01
Common	PRC-149	Jan-01
Common	ALE-50A	Feb-01
Common	BQM-74	Mar-01
Common	APR-39A v2	Apr-01
Common	TAMMAC-DMC	Apr-01
Common	TAMMAC-AMU	Apr-01
Common	TCAS	Jun-01
Common	GPWS	Jun-01
Common	ALQ-126B	Jul-01
E-2C	GRIIM RepR	Nov-00
E-2C	MSP	Dec-00
E-2C	Improved IFF	Jul-01
P-3	APS-137B	Dec-00
P-3	ALR-66	Apr-01
H-46	Triple Tac	Apr-01
H-46	UH-1N NAVFLIR	Jul-01
H-60	17 Item PBL	Nov-00
H-60	NAVFLIR	Dec-00
H-60	Tip To Tail PBL	Jan-01

IWST	PBL	EAD
S-3	OK-645	Nov-00
S-3	Windshields	Mar-01
S-3	ALR-76 ESM	Jul-01
S-3	ATS Servo	Sep-01
V-22	DEU	Jun-01
V-22	DMS	Jun-01
V-22	Flat Panel	Jun-01
V-22	APU	Aug-01
F-14	DFCS	Nov-00
F-14	APG-71	Feb 01
F-14	ADAC	FY01
F-14	CCTVS	FY01
F-14	FMC	FY01
SE	LPX160 T/S	FY01
SE	EO Plus	FY01
SE	Sequencer	FY01
SE	Bomb Hoist	FY01
SE	Firing Circuit	FY01
EA-6B	ASW-40/41	Sep-01
EA-6B	Band 7/8 Mod	Sep-01
EA-6B	Band 9/10 xmtr	Sep-01
Engines	F402 DECU	FY01
Engines	F404 SC Portal	FY01
Engines	F402 Thermocouple	FY01

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Performance Based Logistics:

FY-01 Maritime PBLs

IWST	PBL	EAD
Satcom-Excom Team	SSEE Incr D	Oct-00
Missile Fire Control Team	AEGIS(Raytheon)	Oct-00
Detection Systems Team	CV-TSC AN/SQQ-34(V)	Oct-00
Satcom/Excom Team	TRDF	Nov-00
Satcom/Excom Team	WSC-8(v) 1&2	Nov-00
Missile Fire Control Team	MK-41 VLS	Nov-00
Smart Ship Team	Smart Ship - Allen Bradley	Dec-00
Aux/Valves Team	Chesterton Pumps	Dec-00
Submarine Ship Systems	AN/BYQ-6 Tactical Support	Dec-00
Smart Ships Team	ISC	Jan-01
Satcom-Excom Team	WICS	Jan-01
DC/Deck Team	50 Person Life Raft	Jan-01
DC/Deck Team	MROD	Jan-01
Aux/Valves Team	Ship Stores Refrig Sys	Jan-01
Aux/Valves Team	3 Ton& 5 Ton A/C Unit	Jan-01
Minewar-Specwar Team	RONS	Jan-01
Air Prgms-Torpedoes-ATC Tm	AN/UPX-24 & OE-120	Sep-01
Air Prgms-Torpedos-ATC Team	MK XII IFF	Jan-01
Missile Fire Control Team	AEGIS SPY 1 Radar	Jan-01
Missile Fire Control Team	ALP	Jan-01
Submarine Ship Systems	T1630 Emerg Buoy	Jan-01
Submarine Ship Systems	AN/BSQ-9	Jan-01
DC/Deck Teram	Reusable Bulk Containers	Feb-01
Air Prgms-Torpedoes-ATC Tm	AN/TPX-42(V)	Feb-01
Submarine Ship Systems	OE-538	Feb-01
Minewar-Specwar Team	Obstacle Avoidance Sonar	Mar-01
Satcom-Excom Team	CDL-N, AN/USQ-123A	Mar-01
Communications Sur. Sys. Div.	SIWCS	Mar-01
Satcom-Excom	SWR	Apr-01
Satcom-Excom Team	ADAS	Apr-01
Integrated Self Defense	MK45,75,32,13,26,96,36	Apr-01
Submarine Ship Systems	Submarine Shaft Seals	Apr-01

IWST	PBL	EAD
Submarine Ship Systems	Type 18 Radar	Apr-01
Submarine Ship Systems	VLS Cables	Apr-01
Level 1/Subsafe	Adv Seal Delivery Sys	May-01
Satcom-Excom Team	AN/TMQ-44(V)METMF	Jun-01
Satcom-Excom Team	AN/SYQ-XX(V)	Jun-01
Submarine Ship Systems	GPD-111 Tracking Rec.	Jun-01
Submarine Ship Systems	CV 3399	Jun-01
Submarine Ship Systems	AN/BQS-15	Jun-01
Submarine Ship Systems	CV 3325	Jun-01
Submarine Ship Systems	GPD-111 Tracking	Jun-01
Submarine Ships Systems	Mechanical Seals	Jun-01
Minewar-Specwar Team	ARS	Jul-01
Satcom-Excom Team	AN/UMK-4(V) NITES 2K	Jul-01
Submarine Ships Systems	AN/USC-38(V) EHF	Jul-01
Level 1/Subsafe		Dry Deck
Shelter	Jul-01	
DC/Deck Team	Life Raft Inflation Valve	Aug-01
DC/Deck Team	PKP Fire Extinguisher	Aug-01
Minewar-Specwar Team	AN/AQS-14A	Aug-01
	`	
Minewar/Specwar Team	Mars Engine	Aug-01
Submarine Ships Systems	Noise Tested Bearings	Aug-01
Gas Turbine Team	TF40B Parts	Sep-01
Gas Turbine Team	LM2500 Valves	Sep-01
Gas Turbine Team	LM2500 Breadman II	Sep-01
Detection Systems Team	AN-WSN-7B (RLGN)	Sep-01
Submarine Ships Systems	JMCIS	Sep-01
Submarine Ships Systems	AN/UYQ-87	Sep-01
Submarine Ship Systems	MD-1045/BSC-1	Sep-01
Submarine Ship Systems	AN/BPS - 15J Radar	Sep-01
Submarine Ship Systems	AN/PBS 16 V 2/3 Radar	Sep-01
Submarine Ship Systems	Various Periscope	Sep-01
Submarine Ship Systems	AN/BQH-7	Sep-01

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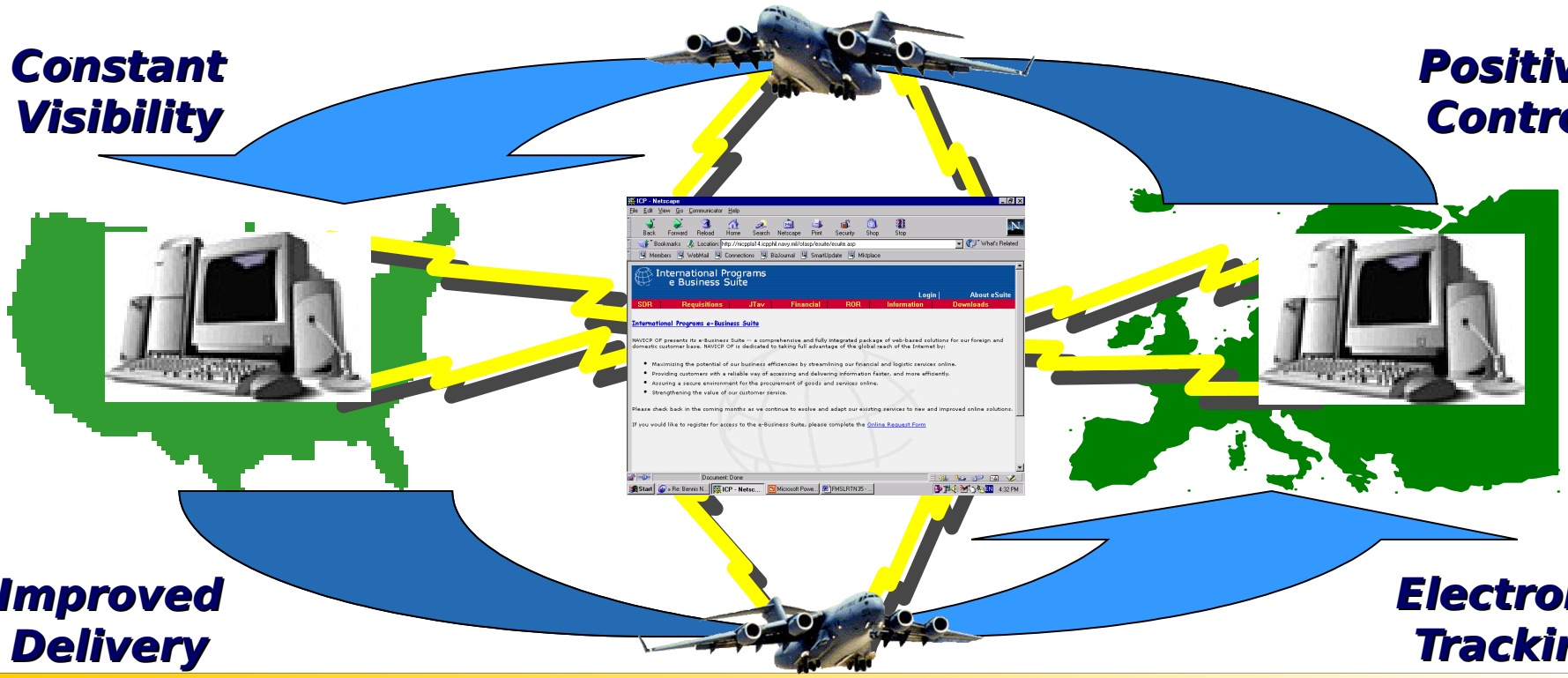
Repair of Repairables: Delivering Value Over the Web

***Objective* – Provide repair reporting through web b**
access automation resulting in maximum repair su
for all NAVICP managed ROR programs.



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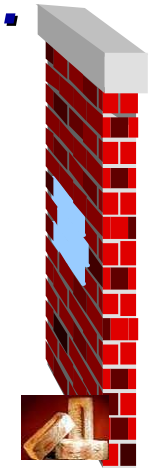
Dual Track:
Program Goals

***Objective** – Develop a program to allow our FMS customer to*
Security Assistance as a single entry point for both FMS & D
options to either first go through DoD supply chain and if ite
unavailable vector to the CBS or use the program to go direc
through the selected CBS.



Direct Commercial Sales

- Shorten Supply Chain
- Capture Best Elements of Both Systems
- Capture All Weapon System Demand Data
- One Requisition for Customer

Foreign Military Sales

- One Stop Shopping for Custom
- Maximize Flexibility of Use of Funds for Customer
- Reduce Backorders
- Expedite Case Closure

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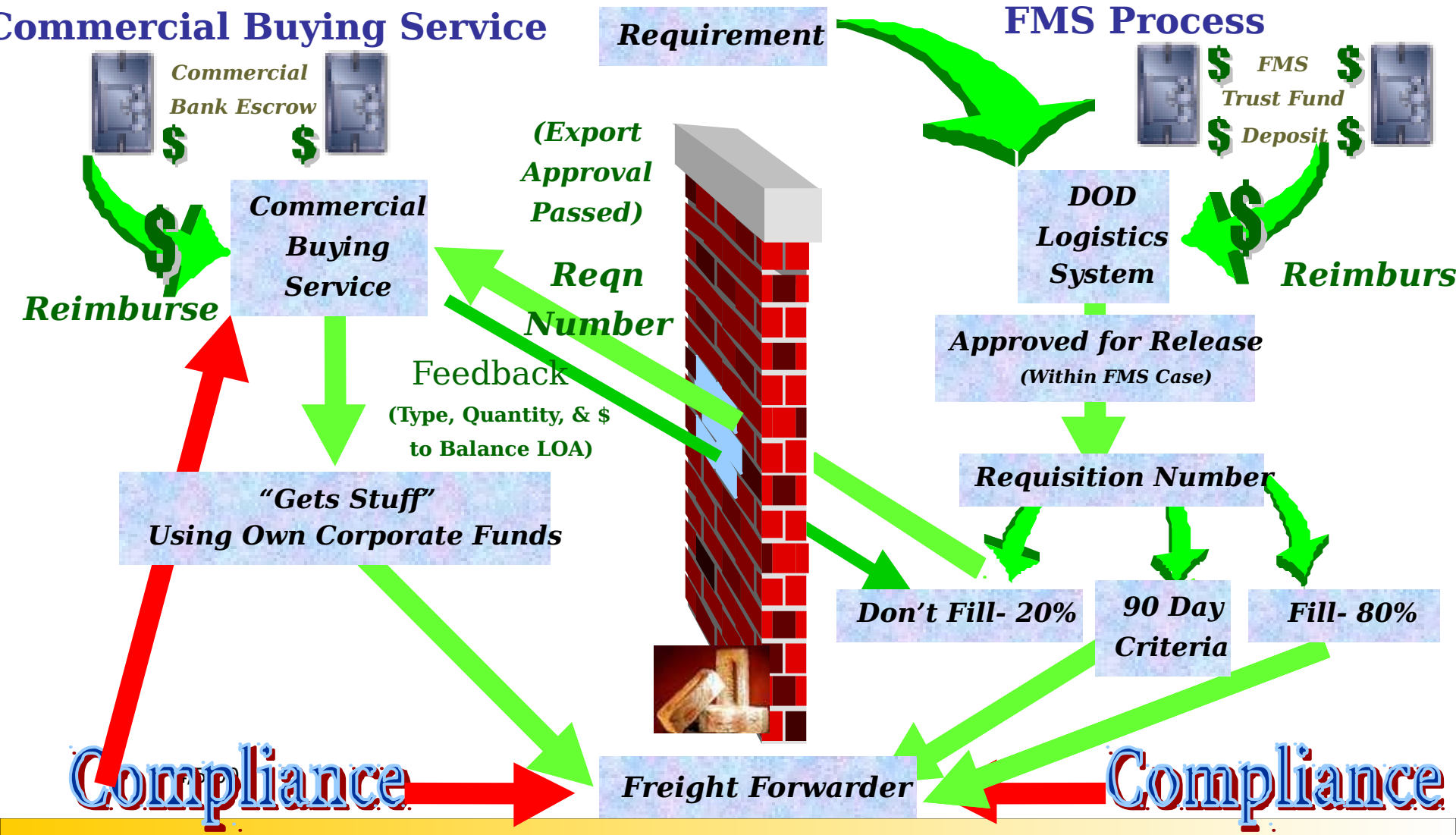
Dual Track:
Breaking Barriers Between FMS & DCS



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Alternative Procurement Services

Objective *– Partner with the Hardware System Com*
and other U.S. services to provide alternative procu
options, not only for the directorate's non-core pro
but its entire range of products and services by imp
the alternative procurement process and thereby,
customer satisfaction.

Issues:

- *Variable Pricing Based on Requisition Value & Priority*
- *Include Service Requisitions*
- *Systems Command Participation*
- *Negotiated Requisition/Maintenance Fees to >$5 Million*
- *Enhancement to existing FASTLINE or partnership with U*
  *on PROS-II_*

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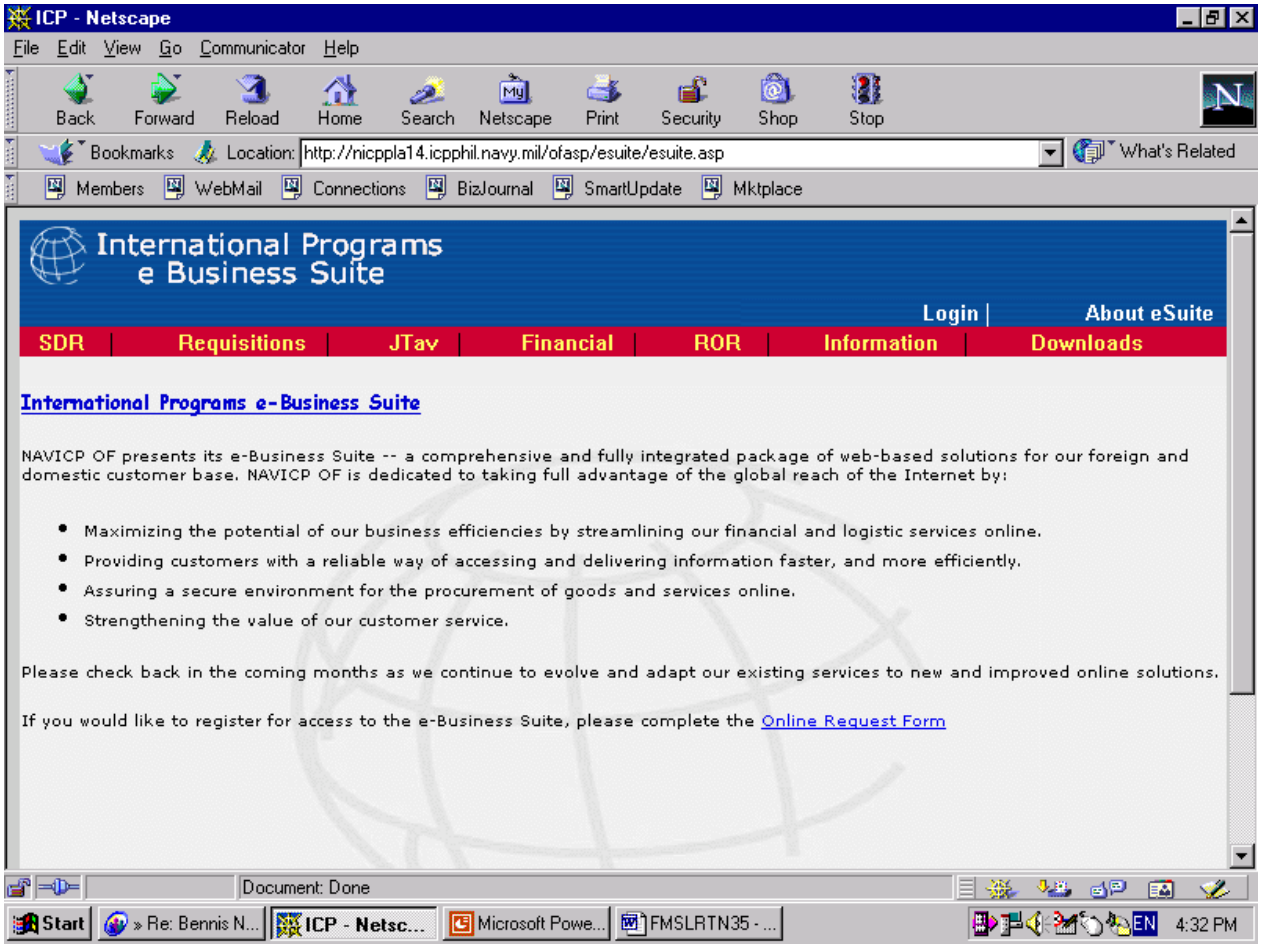
E-Commerce Initiatives

http://nicppla14.icpphil.navy.mil/ofasp/esuite/esuite.asp



- ***Dual Track***
- ***Commercial Buying Service***
- ***Requisition Manageme System***
- ***Worldwide Redistribut System***
- ***Repair of Repairables (Reporting & Tracking)***
- ***Supply Discrepancy Reports***
- ***Case Financial Management System (CFMS)***
- ***Laserfiche***
- ***Power Track***

http://nicppla14.icpphil.navy.mil/ofasp/esuite/esuite.asp

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Summary

Streamlining Processes …

Delivering Value …

Breaking Barriers …

Shifting Paradigms …

Discussion/Questions

Engaged …

Enthused …

Expectations …

Navy-Industry International Dialogue

08 November 01